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**For Immediate Release**  
**June 2, 2005**

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## **Revenue and Workforce collect fraudulent unemployment payments**

**FRANKFORT, Ky.**— In a continuing effort to collect outstanding debts owed to the state, Finance and Administration Cabinet Secretary Robbie Rudolph and Department for Workforce Investment (DWI) Commissioner Laura E. Owens today announced more than \$65,000 has been recovered in wrongfully collected unemployment benefits as a result of a cooperative effort between the Department of Revenue and the DWI.

In early May, DWI's Office of Employment and Training (OET) sent warning letters to more than 9,000 claimants who had collected a total of \$9.6 million in unemployment benefits to which they were not entitled. The letter advised the claimant that if left unpaid, their case would be turned over to the Department of Revenue for collection if they did not respond within 14 days.

To date, a total of 97 liabilities have been paid in full and OET's benefits branch has received nearly 1,000 phone calls in response to the letter. One hundred and thirty-five payment plans have been established with another 375 payment arrangements pending at this time.

DWI's statutory authority to collect debt is limited and past efforts to recover these fraudulently claimed unemployment benefits had been largely ignored. Prior to the notice mailed on May 4, claimants had received three bills requesting payment and a final demand letter threatening a lien.

The Department of Revenue now has enhanced authority to assist other state agencies and local governments with the collection of delinquent taxes and fees and the recovery of wrongfully received payments, thanks to statutory changes enacted by the legislature in 2004.

"This is a part of our enterprise-wide effort to collect outstanding debts owed to the commonwealth and we take that charge very seriously," Sec. Rudolph said. "We have and will continue to work aggressively to collect what is owed to commonwealth in order to reduce the burden on the law-abiding, taxpaying citizens of Kentucky."

By involving the Department of Revenue, a claimant's income tax refunds may be intercepted, liens may be placed against personal property and wages may be garnished.

"We are delighted by this assistance from the Finance and Administration Cabinet," said Commissioner Owens. "In some instances, the amount of benefits wrongfully collected was as small as \$100, but in other situations the amount exceeded \$8,700. Kentucky taxpayers deserve to know that unemployment insurance payments are going to those individuals who truly qualify for them."

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